

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of)	CA 01-03
)	
THE AES DESIGN GROUP and)	
DEXTER YEE)	
)	
Respondents.)	
_____)	

CONCILIATION AGREEMENT

On or around October 2001, Robert Y. Watada, Executive Director for the Campaign Spending Commission ("Commission"), initiated an investigation of Respondents The AES Design Group and Dexter Yee, (collectively referred to as "AES"), pursuant to the express authority of section 11-193, Hawaii Revised Statutes ("HRS"), for a determination of whether the campaign spending law had been violated and a complaint would be submitted to the Commission.

NOW, THEREFORE, AES and the Commission, having entered into conciliation and pursuant to section 11-216(g), HRS, do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondents and the subject matter of this administrative action.
- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or corrective action taken by Respondents pursuant to section 11-216(g), HRS.
- III. That Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

- IV. That Respondents waives the right to be heard at a public hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Respondents enter into this agreement with the Commission on their own volition and with full knowledge and understanding.
- VI. That parties agree to the pertinent facts as follows:
1. On or around October 2001, Robert Y. Watada, in his capacity as Executive Director of the Campaign Spending Commission, and upon information received through the disclosure statements of the Harris 2000 campaign committee, initiated an investigation involving excess contributions in violation of section 11-204(a)(3), HRS.
 2. Section 11-204(a)(3), HRS, reads in part as follows: No person, other than a candidate for the candidate's own campaign, or any other entity shall make contributions to:...A candidate seeking nomination or election to a four-year nonstatewide office or to the candidate's committee in an aggregate amount greater than \$4,000 during an election period.
 3. The election period for Jeremy Harris and the Harris 2000 campaign committee for Mayor of Honolulu include the period from November 6, 1996 to November 7, 2000.
 4. For the Supplemental report filed on January 30, 1998, the Harris 2000 campaign committee reports a contribution of \$2,000 from The AES Design Group, made on August 22, 1997.

5. For the Final Primary report filed on September 23, 2000, the Harris 2000 campaign committee reports a contribution of \$4,000 from the AES Design Group, made on September 15, 2000.
6. The AES Design Group, Inc. was incorporated in May of 1993, as an architectural and engineering consulting firm whose officers are Dexter Yee, President and Alan Hirota, Vice-President.
7. That a check dated August 15, 1997, signed by Dexter Yee, The AES Design Group, Inc. made a \$2,000 contribution to the Jeremy Harris Campaign Committee.
8. That a check dated September 11, 2000, signed by Dexter Yee, The AES Design Group, Inc. made a \$4,000 contribution to The Harris 2000 Campaign Committee.
9. That the contributions aggregated \$6,000 to the Harris 2000 campaign committee for the election period, an excess contribution of \$2,000.
10. Dexter Yee, acknowledges that an excess contribution of \$2,000 has been made to the Harris 2000 campaign committee in violation of section 11-204(a)(3), HRS.
11. The excess contribution in violation of section 11-204(a)(3), HRS, was not knowing, intentional, or reckless pursuant to section 11-229, HRS.
12. Dexter Yee understood the campaign contribution limit to be \$4,000, but was confused by the initial solicitation by the Harris

organization. The first solicitation coming from the "Jeremy Harris Campaign Committee" and the second from the "Harris 2000 Campaign Committee." Mr. Yee understood this to be two different committees.

13. AES failed to file an Organizational report pursuant to section 11-196.5, HRS, for contributions made to the Harris 2000 campaign committee.
14. AES failed to file preliminary, final and supplemental reports pursuant to sections 11-212 and 11-213, HRS, respectively.

VII. Settlement Terms

As final settlement of the matter and issues in the Conciliation Agreement #01-03, AES understands and agrees to the following:

- (A) AES agrees to an assessment of **Seven hundred and fifty dollars** (\$750) pursuant to section 11-228, HRS.
 - (1) For violation of section 11-204(a)(3), HRS, making an excess campaign contribution to the Harris 2000 campaign committee;
 - (2) For violation of section 11-196.5, HRS, failure to file an organizational report; and
 - (3) For violation of sections 11-212 and 11-213, HRS, not filing preliminary, final and supplemental reports of campaign contributions and expenditures.

(B) AES agrees to file required reports and further agrees to comply with campaign finance statutes on contribution and expenditures for noncandidate committees.

(C) Terms of payment of the assessment shall be by Order of the Commission.

VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216, HRS, may review compliance with the Agreement. If the Commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.

IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire agreement.

X. This Agreement constitutes the entire agreement between the Commission and AES on the matters raised herein, and no other statement, promise, or agreement, either in writing or oral, not contained in this Agreement made by either party or by agents of either party shall be enforceable.

XI. This Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to the violations at issue in this matter.

FOR THE COMMISSION:

Robert Y. Watada, Executive Director

By: _____

Date: _____

FOR THE RESPONDENTS:

Dexter Yee, President
The AES Design Group, Inc.

By: _____

Date: _____

(Name)

(Title)